Congress of the United States

Washington, DC 20515

December 9, 2022

The Honorable Katherine Tai United States Trade Representative 600 17th Street NW Washington, DC 20508

Dear Ambassador Tai:

We write to express concern regarding recent actions taken by the Mexican government that are inconsistent with Mexico's United States-Mexico-Canada (USMCA) agricultural biotechnology commitments.

We recognize that the Office of the United States Trade Representative (USTR) continues to monitor a series of concerning developments in Mexico. We appreciate the work done so far regarding implementation and enforcement of labor, energy, and environment USMCA obligations. We are committed to enforcing all parts of the Agreement, including the agriculture provisions related to biotech. Unfortunately, the Mexican government has not lived up to its biotech-related commitments in the USMCA. Accordingly, we urge USTR to promptly request dispute settlement consultations with Mexico on these issues.

It is important that you take this action now, as opposed to waiting, for the following reasons.

The Mexican government has not maintained a science-based biotech regulatory system for the past four years and is moving forward with the implementation of a presidential decree to phase out the importation of genetically engineered corn by January 2024. These policies are not based on science and may decrease the supply of corn in North American agricultural supply chains. These actions, in addition to going against the terms of the USMCA, could increase food prices and food insecurity caused by Russia's unprovoked war against Ukraine.

New barriers to agricultural innovation also threaten food security and key supply chains. A recent study by food and agriculture industry stakeholders in both Mexico and the United States found that Mexico's proposal to block biotech corn imports would raise the cost of corn in Mexico by 19 percent and "inflate the cost of most food and other goods utilized by Mexicans." This study also found that this proposal could create significant instability in the U.S. and Mexican grain systems, disrupting food supply chains.

Mexico's failure to maintain a science-based and transparent biotech regulatory regime goes beyond its treatment of corn and will have impacts across the agriculture industry. Cotton, canola, and soybeans products with biotech traits have also been hampered by inconsistency and uncertainty in Mexico's regulatory system, which also has an impact on the price of food and goods.

Furthermore, Mexico's actions may negatively impact American farmers' decision making to utilize innovative technologies that promote increased agricultural productivity and sustainability. Thousands of growers throughout rural America must look ahead to the next planting season and are already purchasing seed for the spring 2023 planting season. What U.S. growers purchase this fall and plant this spring will be in grain channels

¹ World Perspectives. "Consumer Price Impacts of Mexican Restrictions on GM Corn: An Economic Analysis." https://www.bio.org/sites/default/files/2022-10/Implications%20and%20Consumer%20Price%20Impacts%20of%20a% 20Mexican%20GM%20Corn%20Ban Final 221003%20(002).pdf

as late as 2025. Farmers must have the guarantee that the crops they plant next year will be able to be sold in the following marketing year.

USTR must ensure all our trading partners maintain science-based biotech regulatory systems so that our farmers can utilize American innovation to sustainably feed the world. Ignoring Mexico's disregard for its USMCA commitments sends a signal to our other trading partners that they may take similar actions without repercussions. Improved dispute settlement provisions were a major reason for the overwhelming congressional support for the USMCA. For the reasons stated above we ask you to take enforcement action without delay.

Sincerely,

Adrian Smith

Member of Congress

Daniel T. Kildee

Member of Congress

A. Drew Ferguson IV

Member of Congress

immy Panetta

Member of Congress

Gregory Y. Murphy, M.D.

Member of Congress

Ron Estes

Member of Congress

Lloyd Smucker

Member of Congress

Darin LaHood

Member of Congress

Mike Kelly

Member of Congress

Suzan K. DelBene Member of Congress

Stacey E. Plaskett Member of Congress

Member of Congress

Vern Buchanan Member of Congress Jodey C. Arrington

Member of Congress

Ron Kind Member of Congress

Dwight Evans
Member of Congress

Thomas R. Suozzi Member of Congress

David Kustoff
Member of Congress

Kevin Hern

Member of Congress

Member of Congress

Mike Thompson Member of Congress

Carol D. Miller

Member of Congress

Bill Pascrell, Jr.

Member of Congress

Terri A. Sewell

Member of Congress